

## **KEY INFORMATION SUMMARY SHEET**

### **DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**



### **Request for Proposals No. # S00R4400009 Multifamily Loan Underwriting Services for DHCD**

**Procurement Officer:** Michael Conaway  
Tele: 410-514-7148  
Fax: 410-987-4676  
Email: conaway@mdhousing.org

**Submit Proposals to:** Department of Housing and Community Development  
Attention: Michael Conaway  
100 Community Place  
Crownsville, Maryland 21032

If proposals are hand-carried, directions to DHCD are:  
<http://www.dhcd.state.md.us/Website/About/Directions.aspx>

**Solicitation Issue Date:** February 7, 2014

**Closing Date and Time:** March 6, 2014 at 2:00 p.m. local time

**Anticipated Contract Start:** May 2014

#### **NOTICE**

Prospective Offerors who have received this document from a source other than the Issuing Office should immediately contact the Issuing Office and provide their name and mailing address so that any amendments to the RFP and other communications may be sent to them.

**Minority Business Enterprises and Small Businesses are encouraged to respond to this solicitation**

**STATE OF MARYLAND  
NOTICE TO VENDORS/CONTRACTORS**

To help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes to provide comments and suggestions regarding the enclosed solicitation. Please return your comments with your bid/proposal or, if you have chosen not to respond, fax the completed form to 410-987-4676.

1. If you have responded with a “no bid” please indicate the reasons below:
  - ☐ Other commitments preclude our participation at this time.
  - ☐ The subject of the Contract is not something we normally provide.
  - ☐ We are inexperienced in the work/commodities required.
  - ☐ Specifications are unclear, too restrictive, etc. (Please Explain in Remarks Section)
  - ☐ The scope of work is beyond our current capacity.
  - ☐ Doing business with Government is simply too complicated. (Please Explain in Remarks Section)
  - ☐ We cannot be competitive. (Explain in Remarks Section)
  - ☐ Time allotted for bid/proposal is insufficient.
  - ☐ Start-up time is insufficient.
  - ☐ Bonding/Insurance requirements are prohibitive. (Explain in Remarks Section)
  - ☐ Bid/Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in Remarks Section)
  - ☐ MBE requirements (Explain in REMARKS section)
  - ☐ Prior experience with State of Maryland contracts was unprofitable or otherwise unsatisfactory. (Explain in Remarks Section)
  - ☐ Payment schedule is too slow.
  - ☐ Other: \_\_\_\_\_
2. If you have submitted a bid or proposal, but wish to offer suggestions or express concerns, please use the Remarks section below. (Use reverse or attach additional pages as needed.)

REMARKS: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Vendor Name: \_\_\_\_\_ Date \_\_\_\_\_

Contact Person: \_\_\_\_\_ Phone \_\_\_\_\_

Address: \_\_\_\_\_

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### **ATTACHMENTS:**

- A. Contract Terms**
- B. Bid/Proposal Affidavit**
- C. Contract Affidavit**
- D. Minority Business Enterprise Participation**
- E. Living Wage Attachment**
- E-1 Living Wage Affidavit**
- F. Investments in Iran**
- G. Conflict of Interest Affidavit and Disclosure**
- H. Price Proposal Form**

## **SECTION 1. PROPOSAL INFORMATION**

### **1.1 PURPOSE**

The Department of Housing and Community Development (“DHCD”), a principal department of the State of Maryland (State), is seeking qualified offerors to submit proposals for the provision of (1) multifamily loan underwriting services in support of DHCD’s Multifamily Housing Programs, and (2) technical assistance and training related to the underwriting of multifamily financings for DHCD staff. It is DHCD’s intention to award more up to two (2) contracts to offerors whose proposals are determined to be the most advantageous to the State and DHCD. Specific qualifications and services to be provided are outlined in Section 4 of this RFP and Exhibit I.

### **1.2 ISSUING OFFICE AND PROCUREMENT OFFICER**

The sole point of contact in the State for purposes of this Request for Proposals (RFP) is the Procurement Officer at the Issuing Office address listed below:

Michael Conaway  
Department of Housing and Community Development  
100 Community Place, Room 2.609  
Crownsville, Maryland 21032-2023  
Telephone: 410-514-7148  
Fax: 410-987-4676  
E-mail: Conaway@mdhousing.org

This RFP is also available on DHCD’s website in PDF format:

<http://www.dhcd.state.md.us/Website/Procure/Default.aspx>

### **1.3 PROCUREMENT METHOD**

This Contract will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03.

### **1.4 QUESTIONS**

Questions will be accepted from prospective Offerors and must be submitted in a timely manner to the Procurement Officer only. E-mail submission of questions is preferable, but questions will also be accepted by mail or facsimile to the Procurement Officer.

Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all Offerors who are known to have received a copy of this RFP. The Procurement Officer will decide whether an answer can be given before the closing date, based on the availability of time to research and communicate an answer.

## **1.5 PROPOSAL SUBMISSION REQUIREMENTS AND DEADLINE**

An unbound, clearly marked original and three (3) copies of the Technical Proposal, in a separate sealed envelope marked “Multifamily Underwriting Services for DHCD – Technical Proposal” and an unbound, clearly marked original and three (3) copies of the Price Proposal in a separate sealed envelope marked “Multifamily Underwriting Services for DHCD - Price Proposal” must be received at the Issuing Office no later than the date and time listed on the Key Information Summary Sheet, in order to be considered, except as provided in COMAR 21.05.02.10. The original shall be clearly identified and shall bear the original signature of the individual authorized to commit the firm.

Requests for an extension of this date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt at the Issuing Office. Proposals submitted by e-mail or facsimile will not be accepted. Opened proposals will not be returned to Offerors.

## **1.6 MULTIPLE OR ALTERNATE PROPOSALS**

Neither multiple nor alternate proposals will be accepted.

## **1.7 DURATION OF OFFER**

Proposals submitted in response to this RFP are irrevocable for a period of one hundred twenty (120) days following the closing date. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

## **1.8 MANDATORY CONTRACTUAL TERMS**

By submitting a proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the standard contract terms and conditions, included as Attachment A. Any exceptions to this RFP, or Attachment A attached, must be clearly identified in the Executive Summary submitted with the Technical Proposal. A proposal that takes exception to these terms may not be reasonably susceptible of being selected for award.

## **1.9 INCORPORATION OF RFP AND PROPOSAL**

The applicable sections of this RFP and the successful Offeror's proposal shall be incorporated into the resulting contract.

## **1.10 BID/PROPOSAL AFFIDAVIT AND RESIDENT AGENT**

Offerors must submit a completed Bid/Proposal Affidavit, Attachment B, with their Technical Proposal. If an item on this Affidavit is not applicable, please indicate so. All blanks are to either contain an answer or a Not Applicable designation.

Additionally, in order to legally conduct business within the State of Maryland, all corporate entities must appoint and maintain a Resident Agent who receives legal process and other communications on behalf of the entity.

The failure to register and designate a Resident Agent may foreclose or hinder the company's ability to legally enter into contracts and gain access to the state courts. Moreover, it may subject the company to monetary, civil, and possibly criminal sanctions. Also, failure to maintain a Resident Agent may cause your company to fall out of "good standing" within the State. This will subject your license to do business within the State to forfeiture, with monetary penalties assessed to reinstate your company to a "good standing."

## **1.11 CONTRACT AFFIDAVIT**

All Offerors are advised that if a contract is awarded as a result of this solicitation, the successful Offeror will be required to complete and submit to the Procurement Officer a Contract Affidavit confirming that all statements made on the Bid/Proposal Affidavit (Attachment B) remain true and correct in all respects as of the date of the Contract. A copy of this Affidavit is included for informational purposes as Attachment C of this RFP.

## **1.12 CONFLICT OF INTEREST**

Offerors shall consider any conflicts of interest which presently exist or which may arise if the Offeror is selected for contract award. It is the Offeror's responsibility to complete the Conflict of Interest Disclosure, Attachment G, and provide a list of prior or ongoing business relationships related to Multifamily Rental Housing Projects known by the Offeror to receive DHCD funding that could cause a conflict of interest.

A conflict of interest is defined as a relationship of such a character that would raise doubts in the mind of an independent observer about the Contractor's ability to conduct an impartial review of the assigned project.

If during the term of the Contract the Contractor becomes aware of any such conflict of interest, or the potential appearance of a conflict, the Contractor shall disclose same, in writing, within five (5) business days from the time the Contractor becomes aware of the relationship. It shall be the Contract Administrator's responsibility to determine whether or not the contractual relationship so disclosed would constitute a conflict sufficient to present the appearance of a

conflict of interest on the part of the Contractor and to take such steps necessary to assure the project is not assigned to that Contractor.

### **1.13 REVISIONS TO THE RFP**

If it becomes necessary to revise this RFP, amendments will be provided to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. Failure to acknowledge receipt does not relieve the Offeror from complying with all terms of any such amendment.

### **1.14 RFP CANCELLATION / REJECTION**

The State reserves the right to cancel this RFP at any time prior to contract award pursuant to COMAR 21.06.02.02. The State also reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP and to waive or permit cure of minor irregularities in any manner necessary to serve the best interests of the State of Maryland. Offerors whose proposals are not accepted will be notified in writing.

### **1.15 INCURRED EXPENSES**

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal or in performing any other activities relative to this solicitation.

### **1.16 ECONOMY OF PREPARATION**

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of this RFP.

### **1.17 PROTESTS/DISPUTES**

Any protests or disputes related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10, Administrative and Civil Remedies. DHCD does not permit the submission of protests by e-mail or facsimile. To be accepted by DHCD the protest shall be sent hardcopy to the procurement officer per COMAR 21.10.02.

### **1.18 USE OF EMARYLAND MARKETPLACE**

eMaryland Marketplace is a free of charge electronic commerce system administered by the Maryland Department of General Services. In addition to using the DHCD web site ([www.mdhousing.org](http://www.mdhousing.org)) and other means for transmitting the RFP and associated materials, the solicitation and minutes of the pre-bid/proposal conference, Offeror questions and DHCD responses, addenda, and other solicitation related information may be provided via eMaryland Marketplace.

This means that all such information is immediately available to organizations that subscribe to eMaryland Marketplace. Because of the instant access afforded by eMaryland Marketplace, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to eMaryland Marketplace free of charge.

### **1.19 SMALL BUSINESS RESERVE PROCUREMENT**

Although this is not a Small Business Reserve procurement, small businesses are encouraged to respond to this solicitation and to register with the Maryland Department of General Services for the Maryland Small Business Reserve Program through a self-certification process at <https://www.smallbusinessreserve.maryland.gov/registration/>.

A “Small Business” is defined as a business, other than a broker, that meets the following criteria:

- The business is independently owned and operated;
- The business is not a subsidiary of another business;
- The business is not dominant in its field of operation;
- The wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years; and
- The construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years.

If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses the determination will be based upon employment levels and projected gross sales.

A Small Business is not the same as a Minority Business Enterprise, but a business can be both if it has been certified by the Maryland Department of General Services as a Small Business and has been certified by the Maryland Department of Transportation Minority Business Enterprise Program as a Minority Business Enterprise.



For more information about the Small Business Reserve program visit:  
<http://www.dgs.maryland.gov/smallbusiness/>

## **1.20 MINORITY BUSINESS ENTERPRISES (MBE)**

A Minority Business Enterprise (MBE) subcontractor participation goal of ten percent (10%) has been established for this solicitation; however Minority Business Enterprises are encouraged to respond to this solicitation. MBE vendors are encouraged to obtain certification from the Maryland Department of Transportation, Office of Minority Business Enterprise. All questions related to certification should be directed to:

Maryland Department of Transportation  
Minority Business Enterprise Office  
7201 Corporate Center Drive  
P.O. Box 548  
Hanover, Maryland 21076  
(410) 865-1269  
(800) 544-6056

If the Offeror is a Maryland certified MBE Contractor, it should be so indicated in the Technical Proposal and the MBE certification number provided.

## **1.21 ACCESS TO PUBLIC RECORDS ACT NOTICE**

Offerors should give specific attention to the clear identification of those portions of their proposal that are considered confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. This information is to be placed after the Title Page and before the Table of Contents of the respective proposal to facilitate public inspection of the non-confidential portion of the proposal. Respondents are advised that, upon request for this information from a third party, DHCD is required to make an independent determination whether the information may be disclosed (see COMAR 21.05.08.01).

## **1.22 ARREARAGES**

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State of Maryland. This includes the payment of taxes and employee benefits. The Offeror shall not become so in arrears during the term of the Contract if selected for contract award.

### **1.23 VERIFICATION OF REGISTRATION AND TAX PAYMENT**

Before a corporation can do business in the State of Maryland it must be registered with the Department of Assessments and Taxation, State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for contract award.

### **1.24 RECIPROCAL PREFERENCE**

The provisions of State Finance and Procurement Article Section 14-401 and COMAR 21.05.01.04 shall apply to this solicitation. If applicable, a nonresident Offeror submitting an offer for this solicitation shall attach to the offer a copy of the current statute, resolution, policy, procedure, or executive order of the resident state for the nonresident Offeror that pertains to that state's treatment of nonresident Offerors for similar services. A preference shall be identical to the preference that the other state gives to its residents.

### **1.25 FALSE STATEMENTS**

Offerors are advised that Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

- A. In connection with a procurement contract a person may not willfully:
  - (1) falsify, conceal, or suppress a material fact by any scheme or device;
  - (2) make a false or fraudulent statement or representation of a material fact; and
  - (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.
- B. Aiding or conspiring with others – A person may not aid or conspire with another person to commit an act under subsection A of this section.
- C. Penalty – A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

### **1.26 ELECTRONIC FUNDS TRANSFER**

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The

COT/GAC X-10 Vendor Electronic Funds Registration Request Form may be downloaded from:  
[http://comptroller.marylandtaxes.com/Vendor\\_Services/Accounting\\_Information/](http://comptroller.marylandtaxes.com/Vendor_Services/Accounting_Information/)

## **1.27 OFFEROR RESPONSIBILITIES**

The selected Offeror shall be responsible for all products and services required by this RFP. If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror such as, but not limited to, proposed services, description of the Offeror's ability to perform the scope of work, references and financial reports, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's proposal must contain an explicit statement that the parent organization will guarantee the performance of the subsidiary.

## **SECTION 2. CONTRACT INFORMATION**

### **2.1 PARTIES TO THE CONTRACT**

The contract entered into as a result of the response to this RFP shall be by and between the successful Offeror as Contractor and DHCD, and shall include the terms and conditions of Attachment A of this RFP and the provisions of this RFP. Any exceptions must be clearly identified in the Executive Summary section of the Technical Proposal. **Attachment A is included for information only and is not to be submitted with the Offeror's proposal.**

### **2.2 CONTRACT TERM**

The Contract resulting from this RFP shall commence after all appropriate State approvals have been obtained, and shall extend for a period of two (2) years.

### **2.3 CONTRACT TYPE**

The Contract awarded as a result of this solicitation shall be an indefinite quantity contract per COMAR 21.06.03.06. A (2) with unit prices of a fixed-price type.

### **2.4 COMPENSATION AND METHOD OF PAYMENT**

- A. The Contract will provide that the Contractor be compensated upon submission to and approval by DHCD of a detailed invoice that:
  - 1. For Loan Underwriting Services - identifies each loan assigned and the associated task completed during the invoice period. Compensation shall be at the per task rates shown on the Contractor's Price Proposal Form.
  - 2. For Technical Assistance and Training – identifies each technical assistance task and/or training session completed during the invoice period. Compensation shall

be at the per task or hourly rates, as appropriate, shown on the Contractor's Price Proposal Form.

- B. The Contractor shall include on the face of all invoices its Taxpayer Identification Number, which is the Social Security Number for individuals and sole proprietors and the Federal Employer Identification Number for all other types of organizations, and submit each invoice to the DHCD Contract Manager as identified in Section 4.5 of the RFP for review and approval.

## **2.5 SCOPE OF CONTRACT**

Work to be performed and the services to be provided by the Contractor will consist of the items described in Section 4 of this RFP.

## **2.6 CONTRACTOR RESPONSIBILITIES**

The Contractor will assume sole responsibility for all work to be performed under their Contract and will be the sole point of contact for DHCD with regard to contractual matters.

## **2.7 WORK PRODUCTS**

All products, including work papers, draft documents, notes, calculations and all other written materials regarding the engagements prepared under the terms of this contract are the property of the State of Maryland, and shall be delivered at the end of the contract in a form useable to DHCD.

## **2.8 INDEMNIFICATION**

The Contractor agrees to indemnify and hold harmless DHCD and the State from all liability which may hereafter be incurred by reason of dissemination, publication, distribution, or circulation in any manner whatsoever of any information, data, or records pertaining in any way to the contract by the Contractor and its employees.

## **2.9 LIVING WAGE REQUIREMENTS**

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement ("SFP") Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Attachment D entitled Living Wage Requirements for Service Contracts). **If the Offeror fails to submit and complete the Affidavit of Agreement, the State may determine an Offeror to be not responsible.**

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier Area. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne

Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located

The contract resulting from this solicitation will be deemed to be a Tier 1 contract or a Tier 2 contract depending on the location(s) from which the contractor provides 50% or more of the services. If the contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the contract will be a Tier 1 contract. If the contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the contract will be a Tier 2 contract. If the contractor provides more than 50% of the services from an out-of-State location, then the contract will be deemed to be a Tier 1 contract. The Offeror must identify in their Offer the location(s) from which services will be provided.

## **2.10 LIQUIDATED DAMAGES**

This Contract requires the Contractor to make good faith efforts to comply with the Minority Business Enterprise (“MBE”) Program and contract provisions. The State and the Contractor acknowledge and agree that the State will incur damages, including but not limited to loss of goodwill, detrimental impact on economic development, and diversion of internal staff resources, if the Contractor does not make good faith efforts to comply with the requirements of the MBE Program and MBE contract provisions. The parties further acknowledge and agree that the damages the State might reasonably be anticipated to accrue as a result of such lack of compliance are difficult to ascertain with precision.

Therefore, upon a determination by the State that the Contractor failed to make good faith efforts to comply with one or more of the specified MBE Program requirements or contract provisions, the Contractor agrees to pay liquidated damages to the State at the rates set forth below. The Contractor expressly agrees that the State may withhold payment on any invoices as a set-off against liquidated damages owed. The Contractor further agrees that for each specified violation, the agreed upon liquidated damages are reasonably proximate to the loss the State is anticipated to incur as a result of such violation.

1. Failure to submit each monthly payment report in full compliance with COMAR 21.11.03.13B (3): \$25.15 per day until the monthly report is submitted as required.
2. Failure to include in its agreements with MBE subcontractors a provision requiring submission of payment reports in full compliance with COMAR 21.11.03.13B (4): \$88.04 per MBE subcontractor.
3. Failure to comply with COMAR 21.11.03.12 in terminating, canceling, or changing the scope of work/value of a contract with an MBE subcontractor and/or amendment of the MBE participation schedule: the difference between the dollar value of the MBE participation

commitment on the MBE participation schedule for that specific MBE firm and the dollar value of the work performed by that MBE firm for the Contract.

4. Failure to meet the Contractor's total MBE participation goal and sub-goal commitments: the difference between the dollar value of the total MBE participation commitment on the MBE participation schedule and the MBE participation actually achieved.
5. Failure to promptly pay all undisputed amounts to an MBE subcontractor in full compliance with the prompt payment provisions of this Contract: \$94.33 per day until the undisputed amount due to the MBE subcontractor is paid

Notwithstanding the use of liquidated damages, the State reserves the right to terminate the contract and exercise all other rights and remedies provided in the Contract or by law.

### **SECTION 3. MINIMUM QUALIFICATIONS**

The following qualifications must be met to be considered for contract award:

- A. The Offeror shall have at least five (5) years of experience, including recent experience within the last five (5) years, evaluating the risk involved in providing loans and/or tax credits for multi-family housing projects. At least three (3) years of this experience shall demonstrate proficiency with affordable housing finance, including tax-exempt bond financing with low income housing tax credits and other sources of financing ; and
- B. Any key personnel assigned to the Contract shall have a minimum of three (3) years of recent experience underwriting and closing loans for affordable multifamily housing projects with multiple funding sources, including tax-exempt bond financing and federal low income housing tax credits.

### **SECTION 4. SCOPE OF SERVICES**

#### **4.1 BACKGROUND**

DHCD' Multifamily Housing Programs ("Program") administers lending programs to increase available housing statewide. The Program provides low interest loans to third parties for rehabilitation or new construction of affordable multifamily rental housing developments for families and seniors with incomes generally below 60 percent of the area median, financed using a combination of federal low income housing tax credits, State rental housing funds, federal HOME funds and tax exempt mortgage revenue bonds.

#### **4.2 SCOPE OF SERVICES**

- A. Loan Underwriting.

1. The Contractor shall be assigned underwriting for two primary project financing types:
  - a. Projects financed with 9% Low Income Housing Tax Credits (“Tax Credits”) and Rental Housing Funds (“RHF”) or other DHCD controlled resources, and
  - b. Projects financed with tax-exempt bonds and 4% Tax Credits. These projects may also include RHF or other DHCD funding sources, such as Rental Housing Works (“RHW”) or the Partnership Rental Housing Program (“PRHP”).
2. For each loan assigned, the Contractor shall perform one or more of the following tasks:
  - a. Determine Threshold or Eligibility Compliance. Review financing proposals from developers to determine that they comply with program threshold or eligibility requirements by evaluating the application package material submitted, comparing the proposals to program guidelines and completing a threshold analysis worksheet.
  - b. Conduct Site Inspections. Inspect project sites and application materials related to the construction, market, site and neighborhood to determine that the work proposed, site conditions and neighborhood characteristics meet program guidelines.
  - c. Determine Project Selection Compliance. Review financing proposals to determine compliance with program selection/rating criteria by evaluating application materials submitted, completing a project evaluation worksheet indicating the criteria met; and presenting projects to an internal review committee. For tax-exempt bond projects, bond inducement approval must be secured from the Housing Finance Review Committee (“HFRC”) and the Secretary of the Department of Housing and Community Development (“Secretary”).
  - d. Submission Kit Review and Underwriting of Financing Proposals. This phase will commence with the convening of a Kick-Off Meeting with the sponsor and the development team. Review appraisals and market studies; qualifications, financial statements and credit reports of development team members; underwriting pro forma; and other required documentation to determine compliance with program requirements; development team capacity; viability, feasibility and acceptability of proposals; and acceptable financial risk of financing requests by comparing the information provided to program guidelines which include DHCD’s Qualified Allocation Plan and Multifamily Rental Housing Program Guide. Applicants will make use of DHCD’s Submission Kit Packages (Application, Viability, Commitment and, if approved, Viability-

Commitment). After receipt of complete submission kits, a report must be generated and, after review by the assigned DHCD Team Leader, submitted to the project sponsor using the DHCD reporting formats.

- e. Tax-Exempt Bond Projects - Prepare Project Recommendations. For tax-exempt bond projects only, compose project summaries providing descriptions of the project, market financing terms, risk analysis, unique policy implications and development team data and obtain appropriate Program approvals and present the project with recommendations to HFRC for review and approval.
- f. Prepare Program Documents and Close Financing. Compose program documents relating to allocations, tax reservations and progress reports. Documents such as binding agreements, commitments, closing documents and grant agreements to allocate financing to projects will be prepared by the Maryland Office of the Attorney General (“OAG”) or law firms designated by the OAG. The Contractor will cooperate with the attorneys in the preparation of the documents; review due diligence documents based on program requirements and closing checklist; finalize budget and first draw request; and attend loan closings when appropriate.

3. The Contractor shall perform the services:

- a. With the standard of care, skill, and diligence normally provided by a loan underwriter in the performance of services similar to the services hereunder. Notwithstanding any review, approval, acceptance or payment for the services by DHCD, the Contractor shall be responsible for the professional and technical accuracy of its work and materials furnished by it under this Contract; and
- b. In accordance with the Maryland and applicable federal laws and regulations that govern DHCD and its programs.

B. Technical Assistance and Training. As directed by DHCD, the Contractor shall provide technical assistance and training for DHCD staff that is generally related to the underwriting of multifamily financings. The technical assistance and training may be for a group or one-on-one. Topics include but are not limited to: analysis or evaluation of market studies, financial statements, appraisals, or budgets.

#### 4.3 KEY PERSONNEL

The Contractor shall assemble a project team of key personnel that meet the minimum qualifications to perform the required services, as outlined in Section 4.2. It is expected that the key personnel assigned to this Contract will remain for the term of the Contract. Replacement of any key personnel shall be with personnel of substantially equal ability, qualifications and experience and with the prior written consent of DHCD. DHCD will reserve the right to terminate the Contract if key personnel are changed without such consent.



#### **4.4 CONTRACT MANAGER**

After contract award and throughout the course of the project, the Contract Manager listed below will schedule the Contractor's work, review the Contractor's work as it is submitted, monitor the performance of the Contractor and approve proper Contractor invoices for payment.

Patricia Sylvester, Director, Multifamily Housing Programs, or designee  
Department of Housing and Community Development  
100 Community Place  
Crownsville, MD 21032  
Tele: 410-514-7481  
Email: Sylvester@dhcd.state.md.us

### **SECTION 5. PROPOSAL FORMAT**

#### **5.1 GENERAL**

The Offeror's Technical Proposal should be prepared in a straightforward and concise manner, detailing the Offeror's capabilities to satisfy the requirements of this RFP and should conform to the Outline listed in Section 5.2 B below.

#### **5.2 TECHNICAL PROPOSAL**

##### **A. General:**

Offerors must submit, under separate cover, a clearly marked original and three (3) copies of the Technical Proposal in a separate sealed envelope titled "Multifamily Underwriting Services for DHCD – Technical Proposal."

Offerors must include a transmittal letter on the Offeror's stationery, signed by an individual who is authorized to bind the company to all statements in the proposal and the services and requirements as stated in the RFP. If any addendum or amendments have been issued to this RFP, the Offeror shall acknowledge same in this section.

##### **B. Outline of sections to be included in the Technical Proposal:**

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**Tab 1 – Minimum Qualifications**

The Offeror shall demonstrate that it meets the qualifications outlined in Section 3 by providing evidence that:

- A. The Offeror has at least five (5) years of experience, including recent experience within the last five (5) years, evaluating the risk involved in providing loans and/or tax credits for multifamily housing projects. At least three years of this experience shall demonstrate proficiency with affordable housing finance, including tax-exempt bond financing with low income housing tax credits and other sources of financing; and
- B. Any key personnel assigned to the Contract shall have a minimum of three (3) years of recent experience underwriting and closing loans for affordable multifamily housing projects with multiple funding sources, including tax-exempt bond financing and federal Low Income Housing Tax Credits.

**Tab 2 – Executive Summary – Scope of Work**

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary.” The summary shall provide a broad overview of the Offeror’s understanding of the contents of the RFP and of the how the Offeror’s proposal meets the scope of services outlined in Section 4.

Any exceptions to this RFP or the terms and conditions outlined in Attachment A or any other attachment must be clearly identified in this section. Exceptions may result in the proposal being rejected or being determined not reasonably susceptible of being selected for award.

**Tab 3 – Required Submissions**

- A. Bid/Proposal Affidavit (Attachment B) – completed and signed by an individual authorized to bind the Offeror. All questions are to be answered on Attachment B. If a question is not applicable please indicate so;
- B. MBE Form, Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) completed and signed by an individual authorized to bind the Offeror. **Proposals submitted without this attachment completed and fully executed will result in the State’s rejection of the Offeror’s Proposal to the RFP;**
- C. Maryland Living Wage Requirements Affidavit of Agreement (Attachment E-1);

- D. Investments in Iran (Attachment F);
- E. Financial Capability;and
- F. Conflict of Interest Affidavit and Disclosure (Attachment G).

**Tab 4 – Summary of Experience and General Capability**

- A. Experience. The Offeror shall provide an overview of its experience rendering services similar to those outlined Section 4 of this RFP and how that experience is relative to this RFP. This narrative shall also include a summary of the experience of key personnel proposed to be assigned to this Contract.
- B. References. The Offeror must provide the names, addresses, telephone numbers and contact persons of three (3) current clients or clients from the past three years for whom similar services required by this RFP were performed. DHCD reserves the right to contact any known current or former client.
- C. State Contracts. Provide a list of all contracts with any entity of the State of Maryland that it is currently performing or which has been completed within the last five (5) years. For each identified contract the Offeror is to provide in its Technical Proposal:
  - 1. The State contracting entity;
  - 2. A brief description of the services/goods provided;
  - 3. The dollar value of the contract;
  - 4. The term of the contract;
  - 5. The State employee contact person (name, title, telephone number and if possible e-mail address); and
  - 6. Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

The Procurement Officer or a designee may contact the identified State agencies or the most appropriate ones if many contracts are involved, to ascertain the Offeror's level of performance of State contracts.

Information obtained regarding the Offeror's level of performance on State contracts will be considered as part of the experience and past performance evaluation criteria of the RFP.

**Tab 5 - Financial Capability**

An Offeror must include in its Proposal a commonly-accepted method to prove its fiscal integrity. If available the Offeror shall include Financial Statements, preferably a Profit and Loss (P&L) statement and a Balance Sheet, for the last two (2) years (independently audited preferred).

In addition, the Offeror may supplement its response to this Section by including one or more of the following with its response:

- A. Dunn and Bradstreet Rating;
- B. Standard and Poor's Rating;
- C. Lines of credit;
- D. Evidence of a successful financial track record; and
- E. Evidence of adequate working capital.

**Tab 6 – Work Plan**

The Offeror shall provide a work plan presenting how the services described in this RFP shall be provided by the Offerer should the Offeror be awarded a Contract, to include the following:

- A. The Offeror's understanding of the services to be provided.
- B. The Offeror's approach to managing the performance of work including, overall organization, and support resources.
- C. The tasks and methods to be utilized in completing the required services described in Section 4 of this RFP, and the proposed staffing assignment of key personnel.
- D. A description of the Offeror's procedure for assuring quality control, time and cost control and meeting deadlines.
- E. A full description of all subcontractors included as part of the proposal, including MBE subcontractors, and their role in the project as compared to the role of the Offeror. A brief discussion of the interrelationship between the Contractor and any subcontractors for completing the work described in Section 4 of this RFP shall also be included.

**Tab 7 – Key Personnel**

- A. Identify the specific key individuals being proposed for the project team and specify the division of responsibility that is envisioned among these individuals to perform the scope of services listed in Section 4 of this RFP. If the personnel are not employees of the Offeror, indicate the relationship with the Offeror and confirm their availability to work on assignments within the deadlines established in the scope of services. For each individual named, include a resume that:

1. Educational background;
2. Relevant general experience;
3. Relevant specialized experience as it relates to the minimum qualifications outlined in Section 3 A and B of the RFP; and
4. Lists the name, address, and telephone number of at least one (1) recent client who may be contacted as a reference.

**Tab 8 – Economic Benefit to the State of Maryland**

- A. Offerors shall submit with their proposals a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of their performance of this contract. Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered.
- B. Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than proposals that do not identify specific benefits as contractual commitments, all other factors being equal.
- C. Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the contract term.
- D. As applicable, for the full duration of the contract, including any renewal period, or until the commitment is satisfied, the contractor shall provide to the procurement officer or other designated agency personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.
- E. Please note that in responding to this section, the following do not generally constitute economic benefits to be derived from this contract:
  1. Generic statements that the State will benefit from the offeror's superior performance under the contract;
  2. Descriptions of the number of offeror employees located in Maryland other than those that will be performing work under this contract; or
  3. Tax revenues from Maryland based employees or locations, other than those that will be performing, or used to perform, work under this contract.

- F. Discussion of Maryland based employees or locations may be appropriate if the offeror makes some projection or guarantee of increased or retained presence based upon being awarded this contract.
- G. Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:
1. The contract dollars to be recycled into Maryland's economy in support of the contract, through the use of Maryland subcontractors, suppliers and joint venture partners.
  2. The number and types of jobs for Maryland residents resulting from the contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the contractor has committed, including contractual commitments at both prime and, if applicable, subcontract levels.
  3. Tax revenues to be generated for Maryland and its political subdivisions as a result of the contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the contract.
  4. Subcontract dollars committed to Maryland small businesses and MBEs.
  5. Other benefits to the Maryland economy which the offeror promises will result from awarding the contract to the offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the contract award. Offerors may commit to benefits that are not directly attributable to the contract, but for which the contract award may serve as a catalyst or impetus.

### **5.3 PRICE PROPOSAL**

Offerors must submit a clearly marked original and three (3) copies of the Price Proposal in a separate sealed envelope titled "Multifamily Underwriting Services for DHCD – Price Proposal." The Price Proposal shall be submitted on the Price Proposal Form, Attachment H, and signed by an official authorized to bind the Offeror.

## **SECTION 6. EVALUATION PROCEDURE AND CONTRACT AWARD**

### **6.1 EVALUATION COMMITTEE**

The Procurement Officer shall establish an Evaluation Committee, which may include individuals from within or outside of State government. The Procurement Officer reserves the

right to reject in whole or in part any and all proposals received as a result of this RFP, to waive minor irregularities in proposals, and to enter into discussions with all responsible Offerors in any manner deemed necessary to serve the best interest of DHCD and the State. Offerors whose proposals are not reasonably susceptible for receiving an award will be notified in writing.

## **6.2 SELECTION PROCESS**

All Offerors who appear to be responsible and whose proposals are initially classified as being reasonably susceptible of being selected for award (or potentially so) may be required to make oral presentations of their proposals and participate in discussions with the Evaluation Committee. Offerors will be notified as to a date for discussions. Offerors must confirm in writing any substantive oral clarification of their proposal made in the course of discussions and all written clarifications will become part of the Offeror's Technical Proposal.

Price Proposals from only those responsible Offerors whose proposals are finally deemed reasonably susceptible of being selected for award will be opened following the discussion and presentation process.

If, following the opening of the price proposals, the Procurement Officer determines that further discussion is in the best interest of DHCD and the State, the Procurement Officer will notify all of the Offerors of the date on which such discussions will be conducted. Upon completion of all discussions and upon receipt of any "best and final offers" submitted as a result of such discussions, the Evaluation Committee shall recommend to the Procurement Officer the award of the Contract to the responsible Offeror whose combined technical and price proposal is determined to be the most advantageous to DHCD and the State.

## **6.3 TECHNICAL PROPOSAL EVALUATION CRITERIA**

The Evaluation Committee will conduct their evaluation of the Technical Proposals received on the basis of the following criteria in descending order of importance:

- A. Experience and General Capability, as described in Section 5.2, Tabs 2 and 4;
- B. Work Plan, as described in Section 5.2, Tab 6;
- C. Key Personnel as described in Section 5.2, Tab 7; and
- D. Economic Benefits, as described in Section 5.2, Tab 8.

#### **6.4 PRICE PROPOSAL SELECTION CRITERIA**

Price Proposals will not be opened until the evaluation of the Technical Proposal is complete. The Price Proposal evaluation will be based upon the prices submitted by the Offeror on Attachment F – Price Proposal Form, and best and final offers, if any. Proposals will be ranked in order from lowest to highest cost to the State.

#### **6.5 AWARD DETERMINATION**

The Technical Proposal will have greater importance than the Price Proposal in determining the most advantageous offers.

#### **6.6 CONTRACT AWARD**

It is DHCD's intention to award up to (2) awards of the contract to the Offerors whose proposals are determined to be the most advantageous to the State and DHCD. DHCD reserves the right to award only one Contract if that is felt to be in the best interest of the State.

#### **6.7 ASSIGNMENT OF WORK**

If two contractors are awarded a contract, DHCD will assign work to the Contractors on an as needed basis based upon the current workload of each Contractor.